

SB 162 Review - Dedication of State Revenue for Local Government

(Provisions Reviewed Thought Final Meeting on June 12, 2002)

Agency Administration

Cite 17-3-222

Rev Source Federal source - Taylor Grazing Act

Purpose	Allocation of the federal Taylor Grazing Act revenues: 50% to county general fund and 50% to elementary BASE funding programs of the school districts in the county.	FY2001
		Rev 226,000
		Exp 226,000
		End Bal 0

Account N/A

Comment OPI official says that depositing the schools' portion into GF would be reasonable shortcut to achieve same purpose. DoA concurs.

Subcommittee 3/14 - Change statute to distribute school portion direct to the general fund. 6/12 - Reaffirmed earlier decision.

Cite 10-4-201, 301, 303

Rev Source Taxes - enhanced 9-1-1 services fee paid by end-user

Purpose	Distribution to local jurisdictions to implement "enhanced" 911 emergency phone systems. Distributions, based on applications from service providers are statutorily appropriated. Admin. cost must be appropriated by the legislature. Acct retains interest.	FY2001
		Rev 2,451,466
		Exp 3,075,005
		End Bal 2,437,479

Account 02397 Enhanced 9-1-1 Emerg Tel Pg

Comment Statutes are specific as to use of funds for "enhanced" systems - statute allows funds to cover operating costs (ongoing) once plan is approved.

Subcommittee 6/12/02 - Subcommittee decided to not recommend "sunset date" as earlier discussed.

Cite 10-4-201, 301, 303

Rev Source Taxes - basic 9-1-1 services fee paid by end-user

Purpose	Distribution to local jurisdictions to implement "basic" 911 emergency phone systems. Distributions, based on applications from service providers are statutorily appropriated. Admin. cost must be appropriated by the legislature. Acct retains interest.	FY2001
		Rev 2,241,384
		Exp 2,048,466
		End Bal 180,333

Account 02105 Basic 911 Emergency Phone Program

Comment Statutes are specific as to use of funds for "basic" systems

Subcommittee Exempt for now

Agency Agriculture

Cite 80-7-816, 814, 705; 61-3-321; 15-1-122

Rev Source Taxes from vehicle fee, interest from weed trust

Purpose	Improve noxious weeds awareness through grants to researchers, local governments or communities. [In 2001, a portion (\$267K) went for pgm administration, about \$1.5M went to counties and \$.4M went to universities.]	FY2001
		Rev 2,046,946
		Exp 2,294,531
		End Bal 555,868

Account 02068 Noxious Weed Admin Account

Comment Under HB124, vehicle fee is deposited to GF, then transferred from GF to this acct.

Subcommittee Subcommittee exempted this item from further review this biennium.

Agency Commerce

Cite 17-5-703, 90-6-[part 7]

Rev Source Earnings from coal severance tax [treasure state endowment fund] trust

Purpose	To account for the moneys from coal trust earnings that are transferred to this account for use in assisting local governments in funding infrastructure projects. [Admin costs of about \$316K in 2001...remainder to grants.]	FY2001
		Rev 5,719,687
		Exp 10,782,265
		End Bal -7,558,929

Account 02270 Treasure State Endowment

Comment

Subcommittee Exempt from review

Agency District Court Clerks

Cite 46-23-1031

Rev Source Fee

Purpose	District court clerks deduct portion of fees collected to cover cost of collecting and accounting for the fee...reportedly 20% is deducted by all counties. Collected and expended at local level...none passes thru SAHBRS.	FY2001
		Rev 80,000
		Exp 80,000
		End Bal 0

Account N/A b

Comment Is this clearly a district court expense...not a court expenses?

Subcommittee 3/14 - Department of Revenue will address this issue in their legislation to fix HB 124 omissions. 8/15 - done in HB 18 of Aug02 special session.

Cite 50-15-301

Rev Source Fee

Purpose	District court clerk collects the 25 cent recording fee of marriage licenses and reports filings to DPHHS monthly.	Rev	FY2001 1,750
	This provision in state law requires fee that is collected a county level and expended at county level. Nothing passes through SABHRS.	Exp	1,750
		End Bal	0

Account N/A a

Comment Is this clearly a district court clerk's expense and not a court expense? What about adequacy of the fee?

Subcommittee 3/14 - Department of Revenue will address this issue in their legislation to fix HB 124 omissions. 8/15 - done in HB 18 of Aug02 special session.

Agency Environmental Quality

Cite 61-3-321, 15-1-122; 75-10-[part 5]

Rev Source License/Permits

Purpose	Licensing motor vehicle wrecking facilities and motor vehicle fees to control and recycle wrecked, ruined and discarded	Rev	FY2001 1,000,191
		Exp	1,094,994
		End Bal	588,709

Account 02845 Junk Vehicle Disposal

Comment Under HB124, vehicle fee is deposited to GF, then transferred from GF to this acct.

Subcommittee 12/6/01 - Exempted from review although additional information was requested, received and reviewed.

Cite 76-4-132, 76-4-105

Rev Source License/Permits

Purpose	Lot fees assessed for subdivision review to provide funding for the Subdivision Review program	Rev	FY2001 616,943
		Exp	750,032
		End Bal	14,050

Account 02418 Subdivision Plat Review

Comment

Subcommittee Exempt from review

Agency Fish, Wildlife, and Parks

Cite 87-1-601

Rev Source License/Permits+Interest Earnings

Purpose	Wildlife and fisheries mgmt with money received from hunting and fishing lic. fees. Statute provides for disposition of moneys collected. Statute provides that this money be "set apart" and spent for purposes by the dept., subject to appropriation.	FY2001
		Rev 24,995,088
		Exp 26,816,128
		End Bal 23,966,967

Account 02409 General License Account

Comment Multiple agencies use - Division of Wildlife dollars issue might arise and jeopardize federal dollars if use does not meet criteria. Classic earmarked acct.

Subcommittee Exempt from review

Cite 60-3-201(1)(b) & (5)

Rev Source Taxes - 15/28 of 1% of gasoline dealers' license tax

Purpose	Develop, operate and maintain public snowmobile facilities, promote safety, provide for enforcement, & control noxious weeds. Formula in statute provides specifically for 13% to safety and enforcement and 1% to noxious weeds.	FY2001
		Rev 582,843
		Exp 424,725
		End Bal 170,813

Account 02407 Snowmobile Fuel Tax

Comment In 2001 accounting reports, about \$255K to counties as grants.

Subcommittee Exempt from review

Cite 60-3-201(1)(a) and (6)

Rev Source Taxes - 1/8 of 1% of gasoline dealer's license tax

Purpose	Maintain off-highway vehicle facilities, repair damaged areas, and promote safety with funds from 1/8 of 1% of moneys state receives from gasoline dealer's license tax. Large portion (\$133K in 2001) goes to counties as grants.	FY2001
		Rev 141,736
		Exp 147,627
		End Bal 55,843

Account 02213 Off-Highway Vehicle Gas Tax

Comment Statute is specific about use

Subcommittee Exempt from review

Agency Historical Society

Cite 2-15-150

Rev Source Enterprise revenues, grants, gifts, donations, legislative approp, and interest

Purpose	Reimburse the Historical Society for costs associated with administrative support of the Lewis & Clark Commission	FY2001
		Rev 200,000
		Exp 0
		End Bal 200,941

Account 02494 Lewis & Clark Commission

Comment Not necessarily state funds, but apparently can be; specific purpose in statute, in subsection (5)

Subcommittee Exempt from review

Agency Judiciary

Cite 3-5-904, 3-1-317

Rev Source Charges for services - surcharge added to fees for court services

Purpose	Account is used to fund court automation activities in all district and municipal courts. A user surcharge on specified court services is the source of funds. Dedicated revenue provision short-term for specific purpose.	FY2001
		Rev 1,200,000
		Exp 1,004,526
		End Bal 304,617

Account 02342 Court Automation Surcharge

Comment Both of the above provisions are scheduled to terminate June 30, 2003

Subcommittee Exempt from review - provision to sunset June 30, 2003

Agency Justice

Cite 61-3-431

Rev Source Fees

Purpose	Special mobile equipment application (for identification plate) fee of \$5 and new special demonstration permit fee of \$50 are collected by counties; deposited to state GF except for \$25 of special fee goes to Dept. of Transportation.	FY2001
		Rev 0
		Exp 0
		End Bal 0

Account 02349 Highways Special Revenue Account?

Comment Fiscal note for HB531 indicates revenue of \$12,500 for new fee (therefore, \$6,250 to GF and \$6,250 to highways SSR account).

Subcommittee No action necessary - HB 124 resolved issue raised by DOR regarding this legislation.

Cite 61-3-103, 61-3-550

Rev Source Fee

Purpose	\$4 of \$8 fee is deposited in a SSR for costs of creation and support of new MVD info system. Provision was effective January 1, 2002; hence, no revenue or expenditures to show in 1999-2001. As of 3/1/2002, \$27,240 receipted. Terminates 2/1/2011.	FY2001
	Rev	0
	Exp	0
	End Bal	0

Account 02225 MVD Information Technology System HB577

Comment Not a SB162 situation but could be considered under 17-1-506 (SB378 review). Special purpose dedication of revenue.

Subcommittee 6/12/02 - Subcommittee decided that this dedication of revenue was justified.

Cite 23-5-306, 23-5-612, 23-5-123

Rev Source License/Permits (machine permits, live card game permits)+ Fines

Purpose	Regulation of gambling & distributed by Justice to locals. A portion of the permit fees from live card games and gaming machines goes to local gov and is distributed from this account. Half of moneys from fines goes to local gov thru this acct.	FY2001
	Rev	3,998,620
	Exp	4,573,606
	End Bal	86,596

Account 02074 Gambling License Fee Account

Comment HB 18 of the Aug 2002 special session put the local government share of the fines/penalties into the general fund.

Subcommittee 10/6 - Subcommittee recommends that 100% of fines/penalties go to GF with local share offset by increased entitlement. 6/12/02 - reaffirmed.

Agency Montana Arts Council

Cite 15-35-108(6), 22-2-304

Rev Source Investment earnings

Purpose	Protection of Capitol art & other C/A projects funded from earnings from trust which is funded from severance tax. Projects must be approved by legislature.	FY2001
	Rev	329,000
	Exp	415,389
	End Bal	-36,404

Account 02009 Cultural & Aesthetic Projects

Comment Only a portion of grants are shown to cities/counties, per accounting records. Statute specific on use of these moneys.

Subcommittee Exempt from review

Agency Natural Resources and Conservation

Cite 90-2-1104

Rev Source Taxes (RIGWA, metal mines lic., oil/gas prod.) & Interest (RIT)

Purpose	Repair, reclaim, and mitigate environmental damage to public resources from mining of nonrenewable resources through a grant program	FY2001
		Rev 4,041,803
		Exp 3,805,139
		End Bal 1,387,805

Account 02458 Reclamation & Development

Comment Multiple agencies use - DNRC, DEQ

Subcommittee Exempt from review

Cite 85-1-604

Rev Source Taxes (coal sev. tax), interest (RIT), fees from servicing loans

Purpose	Fund renewable resource grants and operations of various state agencies (Administration of grants & loans pgm., Water Court, Flathead Basin Comm., MSU-N, and NRIS). The legislature appropriates these moneys.	FY2001
		Rev 3,724,100
		Exp 4,637,829
		End Bal 990,036

Account 02272 Renewable Resource Grant/Loan

Comment Multiple agencies use this account

Subcommittee Exempt from review

Agency Office of Public Instruction

Cite 20-7-504, 506 & 61-5-121

Rev Source License/Permits - varying percentages of various drivers licenses/permits

Purpose	Revenues support traffic and safety education to include motorcycle safety. Significant portion flows-thru to school districts (in 2001, \$726K or 89%) that conduct such education and based upon OPI distribution policy, per statute.	FY2001
		Rev 689,085
		Exp 818,671
		End Bal 0

Account 02402 Traffic & Safety Education

Comment 26.25% of drivers license fees and 8.75% of each duplicate drivers license fee to this account for specified purpose.

Subcommittee Exempted from review.

Cite Administrative (not statutory)

Rev Source Coop. Purchasing & shipping cost recovery

Purpose	To administer for cooperative food purchase program (funded by 2.5% administrative fee) and to account for recovery of the cost of shipping food commodities purchased in bulk to private schools.	FY2001
		Rev 73,357
		Exp 76,607
		End Bal 46,848

Account 02001 School Lunch Program

Comment Agency indicates that having separate account is incentive to collect and increase the program. Special info need for at least commodity part.

Subcommittee Exempt from review - can be deleted from list

Agency Public Health & Human Services

Cite 50-2-108(2), 50-50-205

Rev Source License/Permits - food purveyor license

Purpose	Collect fees from licensees to fund inspections of food and lodging establishments...small portion for administrative costs but most to counties.	FY2001
		Rev 459,019
		Exp 448,348
		End Bal 50,539

Account 02462 Food/Lodging License

Comment Local boards of health are responsible for inspections

Subcommittee Exempt from review

Cite 16-1-404 & 411, 53-24-206

Rev Source Portion of beer, wine and liquor taxes

Purpose	To account for alcohol tax revenue dedicated for the purpose of alcohol treatment, rehabilitation, and prevention services	FY2001
		Rev 4,540,409
		Exp 5,250,570
		End Bal 374

Account 02034 Earmarked Alcohol Funds

Comment Multiple departments use account but large majority is used by DPHHS; in 2001, about \$1.9M went to locals thru DPHHS

Subcommittee Exempt from review

Agency **Revenue**

Cite 15-35-108(3)

Rev Source Taxes - portion of severance taxes

Purpose Accounts for coal severance tax that will be redistributed to local jurisdictions, as well as other uses of these moneys which are allocated by the legislature.

	FY2001
Rev	2,916,938
Exp	141,197
End Bal	-864,330

Account 02340 Coal Severance Tax Shared SSR

Comment Specific language in statute about the use of SSR account

Subcommittee Exempt from review

Cite 15-23-703(5)(a),706, 707

Rev Source Taxes - levy on the value of reported coal gross proceeds

Purpose To account for coal gross proceeds tax revenue for redistribution to counties.

	FY2001
Rev	1,312,919
Exp	1,371,926
End Bal	0

Account 02232 Coal Gross Proceeds Redistribution

Comment Distribution to counties is statutorily appropriated.

Subcommittee Exempt from review

Cite 15-36-324

Rev Source Taxes, assessed interest, and penalties

Purpose To account for the distribution of taxes, late payment interest, and penalties associated with oil production; local government portion (determined by statutory formula) distributed to eligible counties thru this account.

	FY2001
Rev	65,009,651
Exp	65,009,651
End Bal	0

Account 02168 Mt Oil Production Tax

Comment Within eligible counties, distributed further according to previous mill levies. Distributions are statutorily appropriated.

Subcommittee Exempt from review

Cite 15-36-324

Rev Source Taxes, assessed interest, and penalties

Purpose	To account for the distribution of taxes, late payment interest, and penalties associated with natural gas production; local government portion (determined by statutory formula) distributed to eligible counties thru this account.	FY2001
		Rev 1,222,391
		Exp 1,222,391
		End Bal 0

Account 02167 Mt Gas Production Tax

Comment Within eligible counties, distributed further according to previous mill levies. Distributions are statutorily appropriated.

Subcommittee Exempt from review

Cite 15-37-117

Rev Source Taxes - portion of metalliferous mines license tax

Purpose	To account for metalliferous mines license taxes that will be distributed to local governments impacted by mineral development. Formulas in statute. Allocations to counties are statutorily appropriated.	FY2001
		Rev 1,456,726
		Exp 1,445,684
		End Bal 118

Account 02083 Oil and Gas Local Assistance

Comment Distributions only to impacted counties based upon statutory formulas

Subcommittee Exempt from review

Agency Transportation

Cite 67-1-301(3)(a)(ii) & (5), 60-3-201(7)

Rev Source Taxes - aviation fuel tax

Purpose	Grants for pavement preservation on airports served by scheduled air carriers	FY2001
		Rev 90,248
		Exp 73,614
		End Bal 116,750

Account 02962 Airport Pavement Preservation

Comment Did not exist in 1999

Subcommittee Exempt from review

Cite 15-70-101

Rev Source Taxes, fees, permits, penalties, interest

Purpose Account for fuel taxes and highway user fees, and transportation related expenses

	FY2001
Rev	211,214,108
Exp	202,596,556
End Bal	62,992,310

Account 02422 Highways Special Revenue Account

Comment Constit. dedicated to hwy construction, maint., and safety. Less than 1% of annual revenues are dedicated via statutory approp to local gov.

Subcommittee Exempt from review

Cite 67-1-301(3)(a)(ii) & (c), 60-3-201(7)

Rev Source Taxes - aviation fuel tax

Purpose To provide grants to municipalities for airport development and improvement

	FY2001
Rev	195,716
Exp	159,200
End Bal	230,031

Account 02287 Aeronautical Grant Account

Comment

Subcommittee Exempt from review